

CALFED Policy Group

March 10, 1999

Meeting Summary

Introductions

Policy Group members were introduced to Tom Hannigan, new Director of the Department of Water Resources and Bob Hight, newly appointed Director of the State Department of Fish and Game. Department of the Interior representative David Cottingham participated in the meeting by telephone.

Water Management Strategy and Integrated Storage Investigation

Executive Director Lester Snow presented work to date on the emerging CALFED water management strategy and asked for Policy Group concurrence on the overall approach. Mr. Snow described what work activities will proceed through the release of the EIR/S in June, which included:

- better definition of the tools
- increasing technical detail on the Integrated Storage Investigation and performance standards
- refinement of the Water Management Strategy objectives
- development of alternative demand scenarios

There was additional discussion of the Economic Analysis of Water Management Alternatives and its relationship to the overall Strategy. **The Policy Group was informed that they will be asked to recommend policy preferences for the final phase of the Economic Analysis of Water Management Alternatives at their September meeting.**

- **Outcome:** The Policy Group expressed concurrence with overall approach of the Water Management Strategy, as well as the Integrated Storage Investigation.

Stage I: Bundled Actions

CALFED staff Stein Buer presented a proposal for bundling specific types of actions for Stage I of the Program. Staff sought Policy Group concurrence with the general approach in the proposal, but with the reminder that the specific actions proposed were subject to change.

Mr. Buer described the next steps for review and refinement of the Stage I bundled actions, as follows:

- Distribute the document for agency review and stakeholder review
- Develop mechanisms for linking actions
- Provide detail for each action, including description, schedule, budget/resources and assessment of implementability

Mr. Buer specifically emphasized the need for Policy Group approval of the proposed VAMP approach as well as the package of South Delta improvements, including the Tracy Fish Screen project and the South Delta barriers assessment.

Meeting Summary
Page Two

Mike Spear emphasized the need to ensure that these actions are connected to FY 2000 budgets for the relevant agencies.

- **Outcome:** Policy Group expressed general concurrence with Stage I bundled actions. Policy Group approved the VAMP proposal. They approved the distribution of the document to the stakeholders. The overall South Delta improvements package, including Tracy, will be brought to the Policy Group for a decision at the May 13 meeting.
- **Next steps:** The revised document was distributed to CALFED agencies and to stakeholders for their comments and was discussed at the BDAC meeting on March 25 in Bakersfield.

Tracy Fish Screen Project

CALFED staff presented the proposed Tracy Fish Screen project. Intense discussion ensued, revealing the unresolved differences among the agencies on the proposal. USBR was seeking approval to submit a proposal to the CALFED PSP for funding of the next phase of a feasibility study for a screened diversion at Tracy. Fisheries agencies and EPA raised technical concerns and concerns about spending ecosystem monies for fish screen studies or construction.

- **Outcome:** Status of negotiations among CALFED agencies on this project as well as other proposed South Delta improvements will be brought back for discussion in April. Mike Spear committed to determining from the point of view of the USFWS whether Tracy project is separable from other proposed South Delta actions; if yes, he committed to returning in April for decision. If not, he would bring it back to Policy Group in May.

Environmental Water Account

CALFED staff briefed the Policy Group on the latest developments on the Environmental Water Account modeling and gaming scenarios and on the Quinn-Spear meetings.

Mike Spear emphasized that the Program needs enough detail on the EWA in the revised draft EIR/S to go to full implementation at the time of the Record of Decision.

Discussion on Water Acquisitions Policy

Policy Group members had a frank discussion of CALFED's proposal to use Bay Delta Security Act monies to purchase water for b(2) actions. David Cottingham acknowledged that the Department of the Interior needed to come to a decision within the next two weeks. [N.B.:Federal Judge Wainger issued his ruling on the b(2) issue on Friday, March 19, 1999]

Governance

CALFED staff presented a straw proposal for CALFED governance. The Policy Group had extensive discussion with stakeholder representatives who presented their comments and points of view on the straw proposal. Stakeholders present were Hap Dunning, Gary Bobker, Cynthia Koehler, Byron Buck and Cliff Schulz.

- **Outcome:** Staff will report back to Policy Group at the April meeting with proposal for overall CALFED governance and for governance structures for each Program component.
- **Outcome:** Policy Group indicated that the state and federal agencies need to increase their participation in the governance discussions. Staff requested that state and federal staff be assigned to be the contacts for the governance effort.

Policy on Funding Endowments with Land Acquisitions

- **Outcome:** The Policy Group approved policy that CALFED will not fund endowments for operations and maintenance of acquired lands.

CALFED staff will continue to work on finding solutions to the long-term operations and maintenance needs for lands acquired for the ecosystem restoration program.